

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of

Basic Service Tier Encryption

Compatibility Between Cable Systems and  
Consumer Electronics Equipment

MB Docket No. 11-169

PP Docket No. 00-67

**COMMENTS OF MONTGOMERY COUNTY, MARYLAND**

In response to the Commission’s Notice of Proposed Rulemaking,<sup>1</sup> Montgomery County, Maryland, submits these comments in opposition to the Commission’s proposed rule. The County urges the Commission to find that allowing cable operators to encrypt the basic service tier would offer few benefits yet place additional, unjustified burdens on consumers, including on cable subscribers least able to afford them. It would also perpetuate the use of cable operator-supplied set-top boxes (“STBs”), defying the Commission’s statutory mandate and its expressed policy of opening the operator-controlled equipment environment to third-party competition. We urge the Commission to ensure that basic service tier encryption would not benefit cable operators at the expense of consumers, including institutional users. The Commission should require cable operators to provide STBs to any affected subscriber on a permanent basis, or at minimum mandate that cable operators give all consumers the ability to purchase (not just lease) equipment for a fixed fee.

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<sup>1</sup> Notice of Proposed Rulemaking, MB Docket No. 11-169, PP Docket No. 00-67, FCC 11-153 (Oct. 14, 2011).

**I. THE PROPOSED RULE WOULD REQUIRE CABLE SUBSCRIBERS TO BEAR UNNECESSARY AND UNJUSTIFIED COSTS.**

Allowing cable operators to encrypt the basic service tier would impose unnecessary costs on at least three classes of cable subscribers. These costs are unjustified in light of the minimal benefit the rule would provide to cable operators, and the Commission's proposed mitigation measures are inadequate to protect consumers.

**A. Allowing Cable Operators To Encrypt the Basic Service Tier Would Adversely Affect Cable Subscribers.**

Allowing cable operators to encrypt the basic service tier would create additional costs for at least three classes of cable subscriber.

*First*, basic service tier encryption would be especially harmful for those subscribers who receive *only* basic service, using televisions with QAM tuners but without CableCARDs. It is reasonable to suspect—and the County's anecdotal experience suggests—that such subscribers are often on limited budgets. Forcing them to lease STBs merely to continue receiving their current service would transfer more money to the cable operators from those least able to afford it—or cut off these subscribers from receiving local broadcast and PEG channels altogether.<sup>2</sup> This is unacceptable. These channels are an important source of local emergency information, news, and information about community events and other developments. The Commission should take no action that could jeopardize subscribers' ability to continue to access to these channels—especially not an action designed to lower the cable operators' costs.

The Commission should not *assume* that releasing cable operators from the current encryption requirement would affect only a few basic-only subscribers.<sup>3</sup> Especially since the NPRM notes that only 77% of subscribers have even one digital STB or other CableCARD

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<sup>2</sup> The NPRM refers briefly to low-income subscribers at ¶¶ 12-13.

<sup>3</sup> See NPRM at ¶¶ 4 n.20, 13 n.60.

device,<sup>4</sup> the Commission should start with the presumption that a sizable number of subscribers would be impacted.<sup>5</sup> The Commission should further require that the largest cable operators such as Comcast and Verizon provide the Commission with data—on a confidential basis, if necessary—regarding the number of its “basic-only” subscribers, and the number of STBs or CableCARDs that the cable operator has provided to these subscribers.

*Second*, many cable subscribers have additional televisions in their homes. Under the proposed rule, any subscriber currently using second and third televisions to receive basic channels without a STB or CableCARD would need to obtain additional equipment to continue to view the encrypted basic service tier. While the NPRM speculates that there is a “relatively small” number of such cases,<sup>6</sup> the Commission should, again, not make such an assumption without analyzing specific data. Over half of America’s TV households have three or more televisions.<sup>7</sup> Comcast has indicated that its customers average 2.7 televisions per home, and other programs have developed solutions tailored to address multiple televisions. As part of the broadcast digital transition, the federal government provided two converter box coupons per household.<sup>8</sup>

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<sup>4</sup> NPRM at ¶ 3.

<sup>5</sup> A recent lawsuit argued that in Michigan alone, up to 400,000 subscribers could not afford to pay for a converter box. See Charles B. Goldfarb, *Public, Educational, and Governmental (PEG) Access Cable Television Channels: Issues for Congress*, Congressional Research Service, at 18 (Oct. 7, 2011). Even if the number of such subscribers proves to be small, it does not follow that it is acceptable to require such subscribers to bear added costs (including electricity costs) after “a limited time.”

<sup>6</sup> NPRM at ¶ 4 n.16.

<sup>7</sup> Nielsen, Snapshot of Television Use in the U.S. (Sept. 2010), available at: <http://blog.nielsen.com/nielsenwire/wp-content/uploads/2010/09/Nielsen-State-of-TV-09232010.pdf>

<sup>8</sup> NTIA, Digital Television Transition and Public Safety, available at: (<http://www.ntia.doc.gov/legacy/dtvcoupon/faq.html>) (providing two coupons per household).

*Third*, in cases where schools and other public buildings receive basic service under a cable franchise, the proposed rule would force these institutional users to lease STBs—potentially thousands of STBs—from cable operators.<sup>9</sup> For example, the County’s schools use a central media room to distribute an unscrambled analog video lineup throughout the school. But when a cable operator provides a signal that is both digital and encrypted, additional equipment, often on a channel-by-channel basis, is required. Obtaining this equipment would impose sizable costs on schools and local communities, which are hardly in a position to bear them given current budget constraints. County schools have recently faced similar issues regarding the continued distribution of digitized channels (such as the History Channel and the Discovery Channel). Cable operators have been less than cooperative. The Commission should certainly not free cable operators from their basic service tier obligations without also requiring the operators to provide these institutional users all required equipment to allow them to disseminate basic service tier channels on a permanent basis.<sup>10</sup>

**B. The Proposed Rule’s Claimed Benefits and Mitigating Measures Do Not Justify Imposing These Costs on Subscribers.**

Neither the proposed rule’s claimed benefits nor its mitigating measures justify requiring subscribers to bear these additional costs.

The NPRM suggests that adopting this rule would have real benefits for cable operators.<sup>11</sup> While this may well be true, there is little evidence that the operators would pass these savings on to consumers. Indeed, cable operators are already imposing and increasing activation fees

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<sup>9</sup> Such equipment may or may not be provided for in franchise agreements.

<sup>10</sup> If such equipment cannot be provided for free on a permanent basis, at the very least, it must be provided at a considerable discount.

<sup>11</sup> NPRM at ¶ 5.

that apply regardless of whether a truck roll is required.<sup>12</sup> Moreover, the County has reason to doubt that the savings to consumers from this change would be significant. It is suggested that the ability to adjust service from the headend without truck rolls will avoid “appointments and delay” and minimize fuel usage.<sup>13</sup> But in many cases, initial activation will require a truck roll in any case to deliver the equipment. The NPRM quotes an optimistic suggestion that customers can pick up equipment at a storefront (thus transferring the fuel costs and inconvenience from the cable operator to the subscriber), or have the STB mailed for self-installation by the customer.<sup>14</sup> But in the County’s experience, STBs frequently fail and need to be replaced (thus increasing the need for truck rolls), and their installation and activation is often a good deal more complicated and time-consuming than one would expect, even for a well-trained cable technician. This is especially true for the newer digital STBs. The provision of a “manned toll-free number” to advise these consumers is also a great deal less helpful in practice than in theory, given the well-documented difficulties in reaching a human being through cable operators’ automated response systems, and especially given that many basic-only subscribers are elderly or technically unsophisticated—the last people who should be burdened with self-installation of advanced equipment.

In addition, the Commission’s proposed “transitional” mitigating steps to reduce the adverse effects of the proposed rule are inadequate.<sup>15</sup> These steps amount to requiring cable operators to provide a limited number of free STBs for a limited time. The purpose of these

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<sup>12</sup> See, e.g., Letter from Joshua Bokee (Comcast) to Marjorie Williams, (Nov. 22, 2011), attached hereto as Exhibit A (attaching Comcast service rate increases).

<sup>13</sup> NPRM, ¶¶ 5, 6-8.

<sup>14</sup> NPRM at ¶ 5 n.26.

<sup>15</sup> NPRM ¶ 12.

measures, however, is merely “to minimize any potential subscriber disruption,”<sup>16</sup> not to resolve the underlying problems.

The Commission must demand more. Whether the charges for the required equipment are suspended for two years or five, the affected subscriber will eventually face the alternative of paying additional costs for the service the subscriber now receives, or giving up service altogether. The NPRM’s suggestion that the delay gives basic-only subscribers “time to make informed choices about equipment and/or other alternatives available in their service area”<sup>17</sup> obscures the fact that the operators are being allowed to impose new costs on subscribers—including those who can least afford them and have the fewest options available—no matter how well-informed they may be.<sup>18</sup>

If the Commission were to adopt this rule, any affected subscriber would also face an additional cost that the Commission’s mitigating measures do not address at all: electricity. STBs consume electric power, even when they are not in use. Yet cable operators have refused to disclose to consumers the energy consumption of these devices.<sup>19</sup> The National Resources Defense Council estimates that a typical household STB takes more power to operate than a new

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<sup>16</sup> NPRM, ¶ 1.

<sup>17</sup> NPRM at ¶ 12.

<sup>18</sup> The delay does have one additional effect: it separates the regulatory change from the adverse effect on consumers by two or more years. This separation diffuses accountability and muffles objections, and thus serves the purposes of the cable industry. But in the long run it has no effect on subscribers’ underlying problems.

<sup>19</sup> See, e.g., Letter from Mitsuko R. Herrera to Joshua Bokee (Comcast), Oct. 4, 2011 (requesting information regarding power consumption of Comcast-supplied equipment), attached at Exhibit B; Letter from Joshua Bokee (Comcast) to Mitsuko R. Herrera, Nov. 18, 2011 (indicating that “we cannot release power consumption specifications beyond what is otherwise already generally available”), attached at Exhibit C; Letter from Darian E. Gill (Verizon) to Mitsuko R. Herrera, Nov. 9, 2011 (“The additional information requested is competitive and proprietary information.”), attached at Exhibit D.

ENERGY STAR refrigerator.<sup>20</sup> This not only represents an environmental problem, as the Commission recognizes.<sup>21</sup> It means consumers must bear additional monthly expenses to view the basic service tier. For many basic-only subscribers, this cost could be prohibitive. And for any subscriber that must obtain multiple STBs for additional televisions (including institutional users), the cost could be multiplied many times over. Any consumer forced to obtain STBs must not required to bear these costs simply so that a cable operator can lower its own. The mitigating measures also do not clarify whether they apply to institutional users. The Commission must ensure that any mitigation measures apply to such users, and that they extend for as long as the cable operators benefit from this change.

Instead of protecting consumers “for a limited period of time,”<sup>22</sup> the Commission must keep consumers whole for as long as cable operators continue to benefit from this change.<sup>23</sup> The Commission should mandate that operators: (i) provide all required equipment, at no charge to the affected subscriber, to resolve any encryption-related issues; and (ii) allow subscribers to purchase, not just lease, equipment for a fixed fee.

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<sup>20</sup> National Resources Defense Council, *Better Viewing, Lower Energy Bills, and Less Pollution: Improving the Efficiency of Television Set-Top Boxes* at 2, available online at <http://www.nrdc.org/energy/files/settopboxes.pdf>.

<sup>21</sup> NPRM at ¶ 8. Unlike the sporadic cost of service calls to the cable operator, the cost of powering the STBs is a continuous and continuing cost to the consumer, and one that the operator has no incentive to reduce.

<sup>22</sup> NPRM at ¶ 1.

<sup>23</sup> Any requirement that cable operators provide STBs at no cost must also ensure that cable operators do not attempt to recover this cost by imposing other ancillary or related fees, such as outlet fees.

## **II. THE PROPOSED RULE RUNS COUNTER TO THE STATUTORY MANDATE AND THE COMMISSION’S OWN PRIOR RULEMAKINGS REGARDING THE CUSTOMER EQUIPMENT MARKET.**

The basic tier encryption prohibition was not enacted in a vacuum. It springs from Section 624A of the Cable Act, which tasked the Commission with ensuring that scrambling or encryption “does not interfere with the functions of subscribers’ television receivers” and placed a high value on “open competition in the market” for customer premises equipment.<sup>24</sup> But by perpetuating consumer reliance on operator-supplied equipment, the proposed rule does not fulfill, but undermines, Congress’s mandate.

The NPRM seems to rest its case for consistency with the statute solely on the existence of the CableCARD.<sup>25</sup> But in doing so it seems oblivious to the Commission’s own conclusions in the AllVid proceedings that the CableCARD initiative has failed to create a functioning third-party market in CableCARD-ready devices.<sup>26</sup> The NPRM seems to suggest that there is no problem because most subscribers are already forced to use STBs.<sup>27</sup> But the Commission’s obligation under Section 624A is to relieve the problem, not intensify it. The proposed rule—which would expand operators’ ability to require all subscribers to use STBs—is in direct

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<sup>24</sup> 47 U.S.C. § 544A(b)(2), (a)(4).

<sup>25</sup> See NPRM at ¶ 8 & n.44.

<sup>26</sup> See *Implementation of Section 304 of the Telecommunications Act of 1996 Commercial Availability of Navigation Devices Compatibility Between Cable Systems and Consumer Electronics Equipment*, CS Docket No. 97-80, Fourth Further Notice of Proposed Rulemaking, FCC 10-61 at ¶¶ 1, 8-10 (2010); *Video Device Competition; Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices; Compatibility Between Cable Systems and Consumer Electronics Equipment*, MB Docket No. 10-91, Notice of Inquiry at ¶¶ 6, 10-13, 15 (2010).

<sup>27</sup> NPRM at ¶¶ 10-11.

conflict with the statutory direction, and the Commission's own expressed intent, to reduce consumers' dependence on operator-supplied equipment.<sup>28</sup>

Rather than adopt a minimally-beneficial and potentially costly rule that perpetuates dependence on operator-provided equipment, the Commission should focus on expanding consumers' access to third-party equipment. To provide relief to consumers in the interim, the Commission should also mandate that operators allow a subscriber to purchase operator-provided equipment for a one-time fee, instead of forcing the subscriber to pay recurring monthly rental fees for an unlimited period.<sup>29</sup> Under the current regime, consumers pay for their equipment many times over in lease fees.<sup>30</sup>

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<sup>28</sup> Once cable operators can assume that every receiver in every house must have an operator-provided STB (given how few free-standing CableCARD devices are in use), they will be free to build business models that *depend* on such gatekeeper control. This will further impede any move toward an open environment in which a robust third-party market can develop, with the concomitant advantages of an open market in terms of jobs and innovations.

<sup>29</sup> Comments of Montgomery County, Maryland, MB Docket No. 10-91, CS Docket No. 97-80, PP Docket No. 00-67, at 5-10 (July 13, 2010).

<sup>30</sup> *Id.*

### III. CONCLUSION

For the reasons indicated above, the Commission should withdraw the proposed rule and let stand the current prohibition against basic tier encryption.

Respectfully submitted,

Mitsuko R. Herrera,  
Cable & Broadband  
Communications Administrator  
Marjorie L. Williams,  
Franchise Manager  
Montgomery County, Maryland  
Office of Cable and Broadband Services  
100 Maryland Avenue, Suite 250  
Rockville, MD 20850

November 28, 2011

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/s/  
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E. Steven Emanuel,  
Chief Information Officer & Director  
Department of Technology Services  
Montgomery County, Maryland  
101 Monroe Street, 13th Floor  
Rockville, MD 20850



442 W. Patrick Street  
Frederick, MD 21701

November 22, 2011

Ms. Marjorie Williams  
Montgomery County Department of Technology Services  
Office of Cable and Broadband Services  
100 Maryland Avenue, Suite 250  
Rockville, MD 20850

***RE: Important Information – Price Adjustments***

Dear Ms. Williams:

As part of our commitment to provide customers in Montgomery County with the best entertainment and communications experience, we continue to invest in making our services even better. Here are some highlights:

**More to Watch, More Ways—Anytime, Anywhere**

- Now, over 60,000 On Demand TV shows and hit movies on TV and online—over half are free!
- Catch up and keep up with your favorite shows from all top networks & enjoy new movies On Demand—many the same day as DVD & a month before Netflix

**Comcast Customer Guarantee and Commitment to Service**

- And with the Comcast Customer Guarantee, we promise to provide customers with a consistently superior experience, including 24/7 customer service and on time appointments—or we'll credit them \$20 or give them a free premium channel for three months.

While we continue to make these investments, we periodically need to adjust prices due to increases in programming and other business costs. Starting January 1, 2012, the following new prices will apply.

| <b>INSTALLATION/OTHER PRICES (per occurrence)</b>                             | <b>Current Price</b> | <b>NEW Price</b> |
|---|----------------------|------------------|
| Hourly Service Charge (Non-standard work; Per hour, Per technician) . . . . . | \$33.00              | \$33.75          |
| Installation - Additional Outlet (Separate Trip). . . . .                     | \$29.95              | \$31.50          |
| Other Installation - Relocate Outlet (Separate Trip) . . . . .                | \$22.50              | \$32.20          |
| Other Installation - Upgrade (Trip required) . . . . .                        | \$19.95              | \$20.10          |
| Connect VCR/DVD (Same Trip) . . . . .   | \$8.00               | \$8.55           |
| Activate Pre-Existing Additional Outlet (Separate Trip) . . . . .             | \$15.00              | \$21.75          |
| Other Installation - Upgrade/Downgrade (No Trip) . . . . .                    | \$2.49               | \$2.99           |
| Video-only Converter Reactivation. . . . .                                    | \$1.99               | \$5.00           |
| <br>  |                      |                  |
| <b>OTHER CHARGES (per occurrence unless noted)</b>                            | <b>Current Price</b> | <b>NEW Price</b> |
| Service Call (Video Only) . . . . .   | \$39.95              | \$40.00          |
| Service Call (High-Speed Internet or Digital Voice) . . . . .                 | \$39.95              | \$40.00          |

|  |     |         |
|--|-----|---------|
| Amplifier. . . . .   | N/A | \$35.00 |
| Name Change. . . . .   | N/A | \$1.99  |
| <b>Bill Statement Reprint</b>  |     |         |
| For bill statement copies requested by phone or in-person with a Customer<br>Care Representative . . . . . | N/A | \$5.00  |

*Montgomery County Communities (Regulated)*

| <b>INSTALLATION/OTHER PRICES (per occurrence)</b>                        | <b>Current Price</b> | <b>NEW Price</b> |
|--|----------------------|------------------|
| Hourly Service Charge (Non-Standard; Per hour, Per technician) . . . . . | \$31.75              | \$33.75          |
| Installation - Unwired Home (within 250 feet) . . . . .                  | \$42.75              | \$43.90          |
| Installation - Prewired Home . . . . .                                   | \$29.50              | \$32.40          |
| Installation - Additional Outlet (Same Trip) . . . . .                   | \$15.50              | \$14.15          |
| Installation - Additional Outlet (Separate Trip) . . . . .               | \$25.75              | \$31.50          |
| Other Installation - Relocate Outlet (Same Trip) . . . . .               | \$15.25              | \$13.60          |
| Other Installation - Relocate Outlet (Separate Trip) . . . . .           | \$22.50              | \$32.20          |
| Other Installation - Upgrade (Trip required) . . . . .                   | \$16.00              | \$20.10          |
| Other Installation - Downgrade (Trip required) . . . . .                 | \$12.00              | \$12.05          |
| Connect VCR/DVD (Same Trip) . . . . .                                    | \$8.00               | \$8.55           |
| Connect VCR/DVD (Separate Trip) . . . . .                                | \$16.00              | \$19.10          |
| Activate Pre-Existing Additional Outlet (Same Trip) . . . . .            | \$8.75               | \$7.75           |
| Activate Pre-Existing Additional Outlet (Separate Trip) . . . . .        | \$15.00              | \$21.75          |

| <b>OTHER CHARGES (per occurrence unless noted)</b>   | <b>Current Price</b> | <b>NEW Price</b> |
|--|----------------------|------------------|
| Service Call (Video Only) . . . . .  | \$28.50              | \$33.55          |
| Service Call (High-Speed Internet or Digital Voice) . . . . .  | \$39.95              | \$40.00          |
| Amplifier. . . . .   | N/A                  | \$35.00          |
| Name Change. . . . .   | N/A                  | \$1.99           |
| <b>Bill Statement Reprint</b>  |                      |                  |
| For bill statement copies requested by phone or in-person with a Customer<br>Care Representative . . . . . | N/A                  | \$5.00           |

| <b>MONTHLY EQUIPMENT RENTAL</b>   | <b>Current Price</b> | <b>NEW Price</b> |
|---|----------------------|------------------|
| Limited Basic Service Only Converter. . . . .   | \$0.95               | \$0.60           |
| Digital Converter. . . . .  | \$2.75               | \$2.15           |
| <b>HDTV Digital Converter</b> (only available to Limited Basic Service Only<br>subscribers). . . . .  | \$2.75               | \$2.15           |
| <b>Customer-Owned Video Equipment Credit</b> (see<br><a href="http://www.comcast.com/equipmentpolicy">www.comcast.com/equipmentpolicy</a> for additional information) . . . . . | \$2.95               | \$2.50           |
| CableCard* (second card in same device) . . . . .   | \$1.50               | \$1.15           |

\*This equipment does not include the following services: On Demand, Pay-Per-View and Interactive Programming Guide.

As always, if you should have any questions or concerns regarding this matter, or any other cable-related matter, please feel free to contact me at 301-917-6949.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J Bokee', with a stylized, cursive script.

Joshua Bokee  
Director, Government & Regulatory Affairs



**DEPARTMENT OF TECHNOLOGY SERVICES**

Isiah Leggett  
*County Executive*

E. Steven Emanuel  
*Chief Information Officer*

Joshua Bokee  
Director, Government Affairs  
Comcast – Montgomery and Fredrick Counties  
20 West Gude Drive  
Rockville, MD 20850

October 4, 2011

**RE: Request for Information Regarding Power Consumption of Set-Top Box Devices and Cable Modems**

Dear Mr. Bokee:

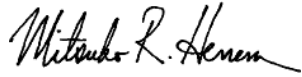
As we recently discussed, the Montgomery County Cable Communications Advisory Commission has requested that the County's Office of Cable & Broadband Services work with the County's cable providers to make more information available to consumers about the power consumption of equipment supplied by the cable providers and necessary to receive cable and broadband services.

In response to an initial request from the County, Comcast provided information stating that Comcast's equipment meets Energy Star ratings. As a follow-up, please complete the attached chart, listing the models of the cable set-top boxes and cable modem(s) offered by Comcast, the brand and model numbers, the Energy Star ratings, and the power consumption (watts per hour) when in use and when turned off but still plugged in and drawing power (such as to display a clock or other sensor lights). In addition, please provide information about how disconnecting each device from the power supply – either by plugging a device into a power strip and turning the power strip off or by physically unplugging the device – will affect the functionality of the device. (For example, will the device reboot, take longer to load the electronic program guide than if it was not disconnected from the power supply, etc.). Finally please provide information regarding any low power devices offered by Comcast.

If possible, please provide written responses on or before the October 10, 2011, GO Committee meeting. If not, please be prepared to discuss the energy consumption rates of Comcast's equipment at the October GO Committee meeting and provide a written response by October 21, 2011. The Office of Cable & Broadband Services will then work to make the information provided by your company available to the public using the County's website and other means of information distribution.

Please feel free to contact me if you have any further questions.

Sincerely,

A handwritten signature in black ink, reading "Mitsuko R. Herrera". The signature is fluid and cursive, with the first name "Mitsuko" being more prominent and the last name "Herrera" following in a similar style.

Mitsuko R. Herrera  
Cable & Broadband Communications Administrator

cc: Marjorie L. Williams, Franchise Manager



442 W. Patrick Street  
Frederick, MD 21701

November 18, 2011

Mitsuko R. Herrera  
Cable & Broadband Communications Administrator  
Office of Cable & Broadband Services  
100 Maryland Avenue, Suite 250  
Rockville, MD 20850

Re: Request for Information Regarding Power Consumption of  
Set-Top Box Devices and Cable Modems

Dear Ms. Herrera:

On October 4, 2011 you requested information about the power consumption of equipment deployed by Comcast and provided a chart to be filled in with information as to each cable and broadband device used. This information is generally subject to non-disclosure agreements with our equipment manufacturers. Consequently, we cannot release power consumption specifications beyond what is otherwise already generally available to the public on the ENERGY STAR website.

As we have noted previously however, Comcast is working with set-top box manufacturers and silicon providers to ensure that all new boxes are more energy efficient. For example, all of the DTA devices deployed in Montgomery County meet ENERGY STAR requirements. Moreover, we have attached to this letter a list of the set-top box models deployed in the County that have been ENERGY STAR qualified.

Further, Comcast has been working closely with NCTA to develop new and comprehensive energy saving initiatives for consumer equipment. Today, NCTA announced a major initiative on the part of the cable industry to improve and promote the energy efficiency of consumer set-top boxes and other cable video devices. As stated in the attached press release, these efforts build upon the significant strides already taken by Comcast and other operators to acquire and deploy more efficient devices.

Please let us know if you have any questions or would like to discuss this matter further.

Sincerely,

A handwritten signature in blue ink, appearing to read "J Bokee", written over a horizontal line.

Joshua Bokee  
attachments

## ENERGY STAR MODELS

| Model                      | Type  |
|----------------------------|-------|
| DTA 100<br>Motorola        | cable |
| DCX 3400<br>Motorola       | cable |
| DCX3400-M OCAP<br>Motorola | cable |
| DCX3200-MP2<br>Motorola    | cable |
| DCX3501<br>Motorola        | cable |
| DC 50X<br>Pace             | cable |



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## NEWS RELEASE

FOR IMMEDIATE RELEASE  
November 18, 2011

CONTACT: Rob Stoddard/Brian Dietz  
202-222-2350

### **U.S. Cable Industry Launches New Energy Efficiency Initiative**

*CableLabs® - Energy Lab Facility Dedicated to Improving Energy Conservation*

Washington, D.C. and Louisville, CO – The U.S. cable industry today announced a new initiative dedicated to improving the energy efficiency of consumer set-top boxes and other devices and developing advanced cable-enabled services designed to promote innovative consumer energy conservation measures. A key element of the initiative is the “**CableLabs® - Energy Lab**,” a new facility within the cable industry’s R&D consortium that will concentrate exclusively on improving energy efficiency, the National Cable & Telecommunications Association (NCTA) and CableLabs® announced today.

The energy initiative will promote the development, testing, and deployment of technologies that will enable cable subscribers to reduce and manage energy consumption in the home, including establishing new requirements for both cable video devices and network support systems. Among other things, these specifications will enable the manufacturing of devices that have “sleep” capabilities to reduce power consumption when subscribers are not actively watching television. After successful field testing of set-top boxes with next generation power management semiconductors, cable operators will begin promoting the deployment of these devices as part of their ongoing efforts to provide functional, reliable and energy efficient services.

The resulting increased energy efficiency for new model set-top boxes will improve on the strides in recent years by cable operators to utilize devices with dramatically lower energy consumption than previous generations of equipment. In addition, cable operators providing service to approximately 85 percent of U.S. cable customers have committed to ensure that by the end of 2013 at least 90 percent of all new set-top boxes they purchase and deploy will be ENERGY STAR 3.0 devices.

U.S. Senator Dianne Feinstein (D-CA) – who in a September letter to cable and other video providers challenged the industry to develop more energy efficient devices – applauded the initiative: “I am pleased the cable industry was responsive to my request that it work on deploying energy efficient cable boxes,” said Feinstein. “I plan to monitor the progress of this initiative closely. Moving toward

cable boxes with 'light-sleep' and 'deep-sleep' technology is an important victory for American consumers who stand to save substantially on their utility bills."

"This important energy initiative will build upon the industry's exemplary record of improving the energy efficiency of successive generations of video devices and services without government intervention, and more importantly it will chart our energy conservation course for the future," said Michael Powell, NCTA President & CEO. "In the hyper-competitive video marketplace, delivering fully functional, reliable and energy efficient equipment is critical to our industry's success, and it's good for consumers. Offering energy efficient devices builds on the cable's industry's imperative to deliver innovation throughout our entire consumer offering."

The CableLabs® - Energy Lab will leverage the expertise and capabilities of CableLabs to build industry consensus on projects that will enhance current energy conservation efforts. The CableLabs® - Energy Lab will:

- Design and maintain a consistent and accurate energy tracking program for measuring and reporting energy consumption and efficiency improvements of new set-top boxes. Procedures for testing and advancing the energy efficiency of set-top boxes and energy conserving software will also be established.
- Serve as a testing and development facility for designers of energy efficient software and hardware.
- Create energy efficiency specifications for semiconductor and hardware suppliers and the network operations systems that support cable devices.
- Assist in developing applications and products that will help consumers manage their overall residential energy consumption.
- Showcase and demonstrate current and future energy savings products and power monitoring capabilities.

"CableLabs is pleased to play a central role in the cable industry's new energy conservation initiatives. The CableLabs – Energy Lab demonstrates how the cable industry recognizes its opportunity to reduce the energy consumption of devices that our customers use to access cable services, and takes full advantage of cable technology to enable consumers to manage energy consumption throughout the home," said Paul Liao, CableLabs President & CEO.

The CableLabs® - Energy Lab initiative will develop collaborative projects with universities and other innovators to promote and showcase the latest in energy management technologies that are enabled by high-speed cable networks, and it is expected to be fully functional by the first quarter of 2012.

Cable operators and other multichannel video providers purchase and maintain tens of millions of video devices that are used in consumer homes. Today's fully functional interactive set-top boxes are mini-computers that work as highly integrated components of complex networks. While consumer demand for interactive video services has fueled the need for increasingly sophisticated and more powerful devices, the cable industry has both improved the energy efficiency of set-top boxes and launched new methods of delivering cable services using network-based, cloud-based, and IP-based approaches that revolutionize set-top boxes or eliminate them entirely.

Some of the cable industry's efforts to improve energy efficiency include:

- The vast majority of the set-top boxes purchased by cable operators are ENERGY STAR qualified, as evidenced by recent deployments of the two largest cable operators. In the first quarter of 2011, 95 percent of Comcast's deployments and 100 percent of Time Warner Cable's devices were ENERGY STAR devices.
- Utilization of ENERGY STAR 3.0-qualified high-definition DVRs that consume less than half of the energy but provide more processing power and home-networking capabilities than the 40+ Watt HD DVRs introduced ten years ago.
- In cable markets that have converted to all digital systems, operators are providing customers with small digital transport adapters (DTAs) that use less than four Watts.
- Introduction of new services that decrease the home's overall energy profile such as: digital-only tuners; home networking and whole-home DVR; network- and cloud-based delivery that allows the processing and storage power of the network to be shared across many consumers; and video services delivered via Internet Protocol (IP) directly to tablets and gaming stations without the need for a set-top box.

NCTA and CableLabs will also continue to collaborate with government, industry, and research organizations to develop approaches and share best practices which can lead to further energy improvements.

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*NCTA is the principal trade association for the U.S. cable industry, representing cable operators serving more than 90 percent of the nation's cable television households and more than 200 cable program networks. The cable industry is the nation's largest broadband provider of high-speed Internet access, serving more than 45 million customers, after investing more than \$170 billion to build two-way interactive networks with fiber optic technology. Cable companies also provide state-of-the-art digital telephone service to more than 24 million American consumers.*

Darian E. Gill  
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November 9, 2011

Mitsuko R. Herrera  
Cable & Broadband Communications Administrator  
Office of Cable and Broadband Services  
100 Maryland Ave. Suite 250  
Rockville, MD 20850

Subject: Response to Request for Information Regarding Power Consumption of Set Top Boxes Devices and Cable Modems

Dear Ms. Herrera,

Verizon is a certified ENERGY STAR service provider. We currently offer the following Energy Star rated Set Top Boxes to FiOS TV subscribers: Motorola 7100 P2 HD, Cisco 435 HD DVR, Cisco 335 HD and Motorola 7232 P2 HD DVR. The Motorola DCT 700 digital adapter is not Energy Star rated.

The additional information requested is competitive and proprietary information.

Customers with specific questions regarding Set Top Boxes should contact Verizon FiOS Technical Support at 1-800-VERIZON (1-800-837-4966) or visit the URL below:

<http://www22.verizon.com/ResidentialHelp/FiOSTV/Receivers/Equipment+Issues/Top+Questions.html>

Sincerely,

A handwritten signature in dark ink, appearing to read "Marjorie Williams", written over a horizontal line.

cc: Marjorie Williams

